LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
http://www.in.gov/legislative

FISCAL IMPACT STATEMENT

LS 6062 **NOTE PREPARED:** Jan 11, 2010
BILL NUMBER: SB 62 **BILL AMENDED:**

SUBJECT: Removal of FSSA Expiration Dates.

FIRST AUTHOR: Sen. Miller **BILL STATUS:** CR Adopted - 1st House
FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL **IMPACT:** State
DEDICATED
X FEDERAL

Summary of Legislation: This bill removes the expiration dates for the Office of the Secretary of Family and Social Services, the Office of Medicaid Policy and Planning (OMPP), the statutes concerning directors of divisions within Family and Social Services (FSSA), and certain advisory committees under the FSSA statutes.

(The introduced version of this bill was prepared by the Select Joint Commission on Medicaid Oversight.)

Effective Date: July 1, 2010.

Explanation of State Expenditures: This bill eliminates the expiration date for the administrative structure of FSSA. The current expiration date is June 30, 2011. The FSSA administrative offices affected are:

(1) The Office of the Secretary of Family and Social Services.
(2) The Office of Medicaid Policy and Planning.

The bill also eliminates the expiration date of a statute that governs procedures of the Family and Social Services Committee and the division advisory councils and the expiration date of statutes that relate to certain powers of the directors of the following divisions:

(1) Disability and Rehabilitative Services.
(2) Family Resources.
(3) Mental Health and Addiction.
(4) Aging.

This bill will authorize the current administrative structure of FSSA to continue past June 30, 2011, with no further expiration dates. The expiration of the statutory authority would not necessarily have an immediate fiscal impact depending upon the actions of the administration. Upon its statutory expiration on July 1, 1999, FSSA was extended by the Governor's executive order. Any potential fiscal impact from the termination of the authority for the positions would likely arise from the loss of appointing authority. Any potential fiscal impact of the termination of the entities authorized in the statute would involve the loss of rule-making authority as well as the federal single-state-agency designations, such as for Medicaid and Vocational Rehabilitation, that is vested in these entities.

Current salary and fringe benefit levels of the Secretary of FSSA, five broad-band executives, and four division directors total about $1,455,500 per year. Potential costs associated with the Family and Social Services Committee (assuming 12 meetings per year) and the 3 division advisory councils (assuming 12 meetings per year per council) would be about $38,000 per year. Therefore, the total expenditures associated with the ten administrative positions and the advisory bodies total about $1.5 M per year. (If the statutory elimination of the offices were construed to include all individuals employed within the offices of FSSA, the total personnel costs associated with those positions would be significantly greater.)

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: FSSA.

Local Agencies Affected:

Information Sources: State staffing table.

Fiscal Analyst: Kathy Norris, 317-234-1360.